

FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

March 25, 1999

Benjamin L. Ginsberg, Esq. Patton Boggs 2550 M Street, N.W. Washington, D.C. 20037-1350

RE: MUR 4758

Senator Trent Lott

New Republican Majority Fund

Dear Mr. Ginsberg:

On June 17, 1998, the Federal Election Commission notified your clients, Senator Trent Lott and the New Republican Majority Fund, and J. Stanley Huckaby, as treasurer, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On March 5, 1999, the Commission found, on the basis of the information in the complaint and information provided by your clients, that there is no reason to believe Senator Trent Lott or the New Republican Majority Fund and J. Stanley Huckaby, as treasurer, violated 2 U.S.C. § 441a(f). Accordingly, the Commission closed its file in this matter as it pertains to your clients.

This matter will become part of the public record within 30 days after it has been closed with respect to all other respondents involved. The Commission reminds you that the confidentiality provisions of 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed.

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If you have any questions, please contact Jose M. Rodriguez, the attorney assigned to this matter at (202) 694-1650.

Sincerely,

Lawrence M. Noble General Counsel

By: Lo

Lois G. Lerner

Associate General Counsel

Enclosure

Factual and Legal Analysis

FEDERAL ELECTION COMMISSION FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: New Republican Majority Fund and J. Stanley Huckaby, as treasurer

Senator Trent Lott

MUR: 4758

I. GENERATION OF MATTER

This matter was generated based on a complaint filed by Robert E. Welsh on June 12, 1998. Based on a news account appearing in the May 28, 1998 edition of the Wall Street Journal, Complaint alleges that the New Republican Majority Fund and Senator Trent Lott violated 2 U.S.C. § 441a(f) by accepting an excessive contribution from C. Boyden Gray.¹

II. FACTUAL AND LEGAL ANALYSIS

A review of all available evidence demonstrates that there is no reason to believe the New Republican Majority Fund or Senator Lott violated the Act with regard to Mr. Gray's contribution to this committee.

As noted, Complainant alleges that the New Republican Majority Fund and Senator Trent Lott violated 2 U.S.C. § 441a(f) by accepting excessive contributions from C. Boyden Gray. Section 441a(a)(1)(C) limits the amount an individual can contribute to a multi-candidate political action committee ("PAC") to \$5,000 per year. Section 441a(f) prohibits a political committee, and its employees and officers, from accepting contributions in excess of the contribution limitations of the Act.

Rather than citing to the Federal Election Campaign Act, Complainant cites only to the relevant Commission Regulation in making the above allegation (viz. Section 110.1(d)).

A review of the Commission's databases and the New Republican Majority Fund disclosure reports reveals only one contribution from Mr. Gray to this PAC. The contribution was reported by the PAC as received on March 10, 1997 and totaled \$5,000, within the contribution limits.²

Accordingly, there is no reason to believe that either the New Republican Majority Fund, and J. Stanley Huckaby as treasurer, or Senator Trent Lott violated 2 U.S.C. § 441a(f).

Mr. Gray's contribution was initially misattributed to his assistant Jeanne Fletcher.